COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INQUIRY INTO THE COMMUNITY OF
INTEREST AND AFFECT THEREOF BETWEEN) CASE NO.
THE AREAS OF GEORGETOWN, KENTUCKY) 91-149
AND LEXINGTON, KENTUCKY

O R_ D E R

This matter arising upon petition of AT&T Communications of the South Central States, Inc. ("AT&T") filed May 10, 1993 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the traffic and message unit volume data contained in AT&T's responses to ordering paragraph 2 of the Commission's Order of April 23, 1993 on the grounds that disclosure of the information is likely to cause AT&T competitive injury, and it appearing to this Commission as follows:

On April 23, 1993, the Commission directed the parties to provide certain information relevant to this inquiry. Ordering paragraph 2 of the Order directed AT&T to furnish information concerning its traffic between Stamping Ground/Sadieville and Lexington/Midway. By this petition, AT&T seeks to protect as confidential the traffic and message unit volume data contained in those responses.

The information sought to be protected is not known outside of AT&T and is not disseminated within AT&T except to those employees who have a legitimate business need to know and act upon

the information. AT&T seeks to preserve the confidentiality of the information through all appropriate means.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Disclosure of the traffic and message unit volume information contained in the responses would provide AT&T's competitors with information regarding AT&T's traffic patterns between specific exchanges by time of day and message volumes for specific services. Disclosure of the traffic information by time of day would allow competitors to accurately estimate AT&T's profit margins and to adjust their pricing and marketing strategies accordingly. The disclosure of the message unit volume information on a service-specific basis and between two specific exchanges would allow AT&T's competitors to learn valuable market information which could

be used in the pricing and marketing focus of their services to the detriment of AT&T. Therefore, the information has competitive value and should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the traffic and message unit volume data contained in AT&T's responses to ordering paragraph 2 of the Commission's Order of April 23, 1993, which AT&T has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 10th day of June, 1993.

PUBLIC SERVICE COMMISSION

Cha rman

Vice Chairman

Commissioner

ATTEST:

Executive Director